



## CHAPTER 14

# **Resolving the North Korean Nuclear Crisis: Challenges and Opportunities in Readjusting the U.S.-ROK Alliance**

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### **U.S. Interests vis-à-vis North Korea**

This chapter begins by examining the questions, “What are America’s interests, vis-à-vis North Korea?” and “What should America be willing to do to ensure the integrity of its interests?” Between 1950 and the late 1980s, the U.S. government predominately viewed North Korea as a direct threat against the security of South Korea, an important East Asian ally. During this period, in order to deter North Korea from attacking South Korea and to assure South Korea of America’s intention to defend its territorial integrity, the U.S. stationed tens of thousands of combat troops on the South Korean peninsula. However, since 1986, when North Korea began operating its 5-megawatt (electric) nuclear power reactor at Yongbyon, followed in 1988 by a U.S. satellite detection of a Yongbyon-based plutonium reprocessing plant, the U.S. has viewed North Korea

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The views expressed in this article are those of the author and not the official policy or position of the United States Government or the Department of Defense.

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as more than just a regional threat. Now as a potential nuclear weapons proliferator, American national interests towards North Korea have exponentially increased.

While national interests are clearly important in the formation of American foreign policy, there really is no single government document that clearly and authoritatively encapsulates precisely what each of these interests are, or how they are hierarchically organized. While inconclusive, a president's *National Security Strategy* is typically a good source for identifying U.S. national interests. While President George W. Bush, in the *National Security Strategy* of 2002, recognizes North Korea as a developer of WMD, and declares his determination to stop rogue states from being able to threaten the U.S. with such weapons. In this document he does not prioritize this interest with other competing interests.<sup>235</sup> In this regard, President Bill Clinton, in his *National Security Strategy* of 2000, more clearly identified WMD proliferation prevention as a vital national interest in a categorization of three levels of national interests; namely, vital, important, and humanitarian interests.<sup>236</sup>

According to the Commission on America's National Interests, U.S. interests, vis-à-vis North Korea are quantified as such (1) "it is a vital American interest to prevent further [nuclear weapons] proliferation in North Korea"; and (2) it is a vital U.S. interest "[t]hat South Korea and Japan survive as free and independent states, and cooperate actively with the U.S. to resolve important global and regional problems."<sup>237</sup>

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<sup>235</sup>George W. Bush, *The National Security Strategy of the United States of America* (Washington DC: The White House, 2002), 14.

<sup>236</sup> William Clinton, *The National Security Strategy For A Global Age* (Washington DC: The White House, 2000), 4.

<sup>237</sup>Commission on America's National Interests, *America's National Interests* (Cambridge: Commission on America's National Interests, 2000), p. 28, p. 46.

## Unilateralism vs. Multilateralism

Unilateralists promote the unhindered use of a government's power to pursue its national interests, unimpeded by international involvement with foreign countries and international institutions and agreements. Multilateralists, on the other hand, advocate a foreign policy in which a government pursues its national interests by acting in agreement (or at least coordination) with its allies; by negotiating a larger framework with states, rather than ignoring them; by consulting with foreign governments on sensitive issues; and by obtaining approval from the United Nations Security Council before acting. Seldom, however, are policy options quite so bifurcated; rather, decisions are typically made somewhere along the compendium of unilateralism and multilateralism.

Returning to an earlier question posited at the beginning of this chapter, "What are the factors that determine which approach -- unilateral or multilateral -- is more appropriate to pursue policy objectives, particularly as it relates to the denuclearization of North Korea?" is it, perhaps, as simple as some have suggested; namely, that President Bush has a predilection to a policy of ABC -- Anything But Clinton.<sup>238</sup> Therefore, since President Clinton approached the North Korea nuclear crisis bilaterally, President Bush would then naturally attempt a multilateral approach to resolving the crisis. If such were the case, why then did President Clinton opt for a bilateral policy approach in his attempt to resolve the North Korea nuclear crisis?

Typically, it is easier to achieve a consensus of opinion when there are fewer parties involved in the decision-making process (one person would be ideal); likewise, this logic carries through

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<sup>238</sup>Ivo H. Daalder and James M. Lindsay, *America Unbound: The Bush Revolution in Foreign Policy* (Washington: The Brookings Institute, 2003), 37.

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with regards to negotiations (bilateral negotiations would be ideal). Such being the case, it would seem logical that Washington could reach an acceptable agreement quicker and easier if it negotiated with Pyongyang alone, but the Bush administration has long spurned bilateral negotiation with Pyongyang,<sup>239</sup> offering at least four justifications for insisting on multilateral negotiations with North Korea; namely, (1) nuclear weapons proliferation in North Korea affects the entire region; (2) the regions five major players -- U.S., PRC, ROK, Russia, and Japan -- are against the nuclearization of North Korea; (3) regional partners have an obligation to assist in the denuclearization of North Korea; and (4) a multilateral approach could assuage U.S. congressional reluctance to provide funds for North Korea.<sup>240</sup> While these justifications for adopting a multilateralist approach may be valid, it is likewise probable that there were other factors involved in deciding how to approach this issue, such as (1) the level of agreement on policy substance between the U.S. and its partners, and (2) the power of the U.S. relative to the power of other actors.

As illustrated in Figure 1—Model of Unilateralism and Multilateralism Patterns (Model UMP), by graphing “partner policy agreement” on an x-axis and “relative U.S. power” on a y-axis one should be able to determine, with a fair degree of certainty, whether the U.S. might approach a policy issue unilaterally or multilaterally. Regarding Model UMP, the following four probabilities emerge; namely, (1) high “partner policy agreement” and high “relative U.S. power” yields

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<sup>239</sup>North Korea based its argument for bilateral talks on its assumption that only the U.S. could resolve its security concerns. While that may be true, Henry Kissinger postulates that bilateral talks are a tactic intended to divide the U.S. and ROK, as critics would argue, regardless the outcome that the U.S. conceded to much or two little. See Henry A. Kissinger, “The Six-Party Route to Resolution,” *Washington Post*, 18 August 2003.

<sup>240</sup>Morton I. Abramowitz and James T. Laney, *Meeting the North Korea Nuclear Challenge* (New York: Council on Foreign Relations, 2003), 23.

multilaterally ratified unilateralism; (2) low “partner policy agreement” and high “relative U.S. power” yields unilateralism; (3) low “partner policy agreement” and low “relative U.S. power” yields argumentative multilateralism; and (4) high “partner policy agreement” and low “relative U.S. power” yields cooperative multilateralism.

***Figure 14.1: Model of Unilateralism and Multilateralism Patterns***

high	II.  <b>Unilateralism</b>	I.  <b>Multilaterally Ratified Unilateralism</b>
	III.  <b>Argumentative Multilateralism</b>	IV.  <b>Cooperative Multilateralism</b>
low		

If the above model is considered when analyzing the North Korea nuclear weapons crises—both the 1994 crisis and the current crisis—greater illumination is provided as to why the Clinton administration acted unilaterally (or more precisely, unilaterally with multilateral ratification -- quadrant 1), and why the Bush administration is acting multilaterally (or perhaps more accurately, with argumentative multilateralism -- quadrant 3). According to the factors of the above model, as they affected U.S. policy towards North Korea during the Clinton administration, the level of policy agreement between partners --

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U.S., ROK, and Japan -- should have been high, and it was. Likewise, the power of the U.S. relative to the other actors -- ROK, Japan, DPRK, PRC and Russia -- also should have been high, and it was. Today, the variables affecting the factors have obviously changed since the U.S. has approached this same crisis differently; therefore, if this model is valid one should expect that the level of policy agreement between partners is low—and that is correct, and that the power of the U.S. relative to the other actors is low—and that is correct also (discussed below).

Clearly, Model UMP results come closer to explaining the Bush administration's reasoning for adopting a multilateral approach towards its North Korea policy than does its four justifications; namely, proliferation affects the entire region, the region opposes proliferation, regional partners have an obligation, and multilateralism could assuage Congress, all of which were equally valid during the Clinton administration.

### **Democratic People's Republic of Korea (or North Korea)**

In August 1945, the Soviet Red Army liberated the northern portion of Korea, ending Japan's thirty-five-year colonization of the Korean peninsula. Within three years, the northern part of Korea, with the assistance of its Soviet liberators, had erected a new communist state. On the southern portion of the peninsula, the U.S. assisted in the establishment of a democratic state. Since then, one nation has become two locked in a struggle of legitimacy in which each side views the other as the illegitimate aggressor.

Within two years of the creation of these antithetical states, North Korea conducted a surprise attack upon South Korea, plunging the two countries and several allied nations into a bloody three-year war that claimed some four million casualties

before ending in a ceasefire.<sup>241</sup> In December 1950, when the United Nations Command first reeled back from a Chinese offensive and then stagnated along the 38<sup>th</sup> parallel, President Truman contemplated using nuclear weapons in Korea. Then in early 1953, President Eisenhower went so far as to actually threaten the use of nuclear weapons in a well-documented indirect threat to China, which occurred during an exchange between Secretary of State John Dulles and India's leader Jawaharlal Nehru.<sup>242</sup> Then in May 1953, Dulles, speaking about the Panmunjom Talks, stated that the U.S. would use "stronger rather than lesser" military means if conflict resolution could not be agreed upon.<sup>243</sup> Two months later, on 27 July 1953, the U.S., China, and North Korea signed an armistice agreement. Whether there was a direct link between Dulles's words and the Chinese agreement to an armistice, both President Eisenhower and Secretary of State Dulles attributed the ending of the Korean War to its threat to use atomic weapons;<sup>244</sup> a lesson that has never been lost upon the North Koreans; which is this: those who possess nuclear weapons can force their will upon those who do not.

Until about 1975, North Korea's vibrant planned economy, productive society and strong capable military rivaled that of its opponent—South Korea. However, from the mid-1970s the economic gap quickly closed and then reversed, owing to the inauguration of South Korea's heavy and chemical industries (HCI) drive of 1973, in which South Korean President Park

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<sup>241</sup>Don Oberdorfer, *The Two Koreas: A Contemporary History* (Indianapolis, IN: Basic Books, 1997), 10.

<sup>242</sup>Alexander George and Richard Smoke, *Deterrence in American Foreign Policy, Theory and Practice*. (NY: Columbia University Press, 1974), 235-238.

<sup>243</sup>Roger Dingman, "Atomic Diplomacy during the Korean War," *International Security* vol. 13, no. 3. (winter, 1988): 79-86.

<sup>244</sup>Michael J. Mazarr, *North Korea and the Bomb: A Case Study in Nonproliferation* (NY: St. Martin's Press, Scholarly and Research Division, 1995), 16.

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Chung-hee commissioned the opening of thirteen HCI complexes nationwide, including petrochemical, autos, steel, shipbuilding, military goods, capital equipment, etc. Economically, the result was that by 1980 the ROK's GNP was twice as large as the DPRK's GNP, and exponentially growing so that by mid-decade the ratio was nearly three to one, by the end of the decade it was five to one, and by the early 1990s, the GNP ratio was as high as eight to one and still growing.<sup>245</sup> Clearly, this economic disparity weakened the DPRK's legitimacy claim, although, perhaps more importantly, it greatly diminished its sense of national security, requiring the government to consider how best to defend the nation against a richer and more powerful adversary. The option selected by Kim Il Sung was the same option that had been selected by President Dwight D. Eisenhower in 1954 -- nuclear weapons!

Unable to militarily match the large and growing conventional arsenal of the Soviet Union, the U.S., in 1954, began substituting its expensive military manpower for less expensive nuclear power, which according to Charles Wilson, Eisenhower's first secretary of defense, would provide the U.S. with "more bang for the buck."<sup>246</sup> Between the late 1970s and the early 1980s, Kim Il Sung, adopting a similar line of thought, reportedly ordered North Korea's Academy of Science to build nuclear weapons.<sup>247</sup> The normalization of Soviet-ROK relations, in 1990, devastated Pyongyang, buttressing its earlier determination to produce a credible nuclear deterrent as it became powerlessly ejected from the Soviet orbit. In 1991, responding to the normalization of

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<sup>245</sup>David Kang, "North Korea's Military and Security Policy," in *North Korean Foreign Relations: In the Post-Cold War Era*, ed. Samuel S. Kim (Oxford, New York: Oxford University Press, 1998), 169.

<sup>246</sup>Larry H. Addington, *The Patterns of War Since the Eighteenth Century*, 2<sup>nd</sup> ed. (Bloomington and Indianapolis, IN: Indiana University Press, 1994), 280.

<sup>247</sup>Hahn Ho Suk, "The U.S.-DPRK Relations at the Close of the 20<sup>th</sup> Century and the Prospects for United Korea at the dawn of the 21<sup>st</sup> Century, Part 1: American Nuclear Threats and North Korea's Counter Strategy," available from <http://kimsoft.com/2000/hanho.htm>.



Soviet-ROK relations, DPRK Foreign Minister Kim Yong-nam declared that “[we are left with] no other choice but to take measures to provide for ourselves some weapons for which we have so far relied on the Soviet Union.”<sup>248</sup>

By 1992, the *de facto* international isolation of the DPRK was complete as its last major ally -- China -- normalized relations with Seoul. International isolation was followed by slow economic strangulation after Russia and China began requiring North Korea to settle its trade accounts in hard currency, exacerbating an irrational domestic central planning system. Concerned about regime and national survivability, by the early 1990s, Pyongyang began reaching out with one hand to normalize relations with its adversaries; namely, Japan, ROK, and the U.S. while, with the other hand, it continued developing nuclear weapons. Pyongyang received “strike one” on its first diplomatic normalization attempt, owing in part to Seoul warning Tokyo to slow down the process.<sup>249</sup> Undaunted, Pyongyang tried again, this time seeking amiable relations with Seoul, which culminated with the signing of two historic inter-Korean agreements—the Agreement on Reconciliation, Nonaggression and Exchanges and Cooperation between the South and the North; and the Joint Declaration on the Denuclearization of the Korean Peninsula. Within months, however, Pyongyang received its “second strike” at diplomatic normalization when it was caught, in 1993, producing nuclear weapons, revealing its duplicity and weakening its then budding relationship with Seoul. Set back, but determined to enhance its economic and political survivability, Pyongyang agreed to eliminate its *plutonium-based* nuclear weapons program under the pretext that

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<sup>248</sup>*Asahi Evening News*, 3 January 1991. Quoted in Leonard S. Spector and Jacqueline R. Smith, “North Korea: The Next Nuclear Nightmare?” *Arms Control Today* 21 (March 1991), 2.

<sup>249</sup>Takeda Yasuhiro, “Japan’s Role in the Cambodian Peace Process: Diplomacy, Manpower, and Finance,” *Asian Survey* vol. 38, no. 6 (June 1998): n.23, p 564.

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Washington would normalize diplomatic and economic relations with it and replace its antiquated GMR with light-water nuclear reactors (LWR), which led to the signing of the “Agreed Framework Between the United States of America and the Democratic People’s Republic of Korea,” on 21 October 1994. By the way things looked, Pyongyang, or more accurately Kim Jong Il, had scored a “base hit,” avoiding a “third strike,” strengthening his nascent political position since it was his recently deceased father—Kim Il Sung—who had arguably “struck out” trying to normalize relations with Japan and South Korea.

By October 1994, the DPRK wielded little power; abandoned by its former allies -- China and Russia, rejected in its attempts to normalize relations with its opponents -- Japan and South Korea, mourning the death of its founding leader -- Kim Il Sung, economically stagnating, and holding the weaker military “hand” (while it is likely that it possessed nuclear weapons in 1994, the numbers would have been few).<sup>250</sup>

Securing Washington’s pledge to normalize diplomatic and economic relations, Pyongyang was reasonably cooperative in permitting the fulfillment of the major nuclear aspects of the Agreed Framework; namely, retaining membership in the NPT, freezing its GMRs and plutonium reprocessing facilities, and capping the 8,000 spent nuclear fuel cells. However, between 1997 and 1998, the DPRK had become disillusioned with Washington’s failure to begin the normalization process and the lack of substantive progress in building the LWRs. Hedging that the U.S. would renege on the Agreed Framework, Kim Jong Il likely directed the creation of a clandestine *highly enriched*

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<sup>250</sup>In 1990, the KGB reported to the Kremlin that the DPRK had created its first nuclear device, and in 1993, the FBI claimed that North Korea possessed enough plutonium to manufacture one or two bombs. See James M. Minnich, *The Denuclearization of North Korea: The Agreed Framework and Alternative Options Analyzed* (Bloomington, IN: 1stBooks Library, 2002), 9.

uranium (HEU)-based nuclear weapons program, sometime during that period.<sup>251</sup> While the Agreed Framework does not explicitly prohibit the development of an HEU nuclear weapons program, implicitly it does, stating that “The DPRK will consistently *take steps* to implement the North-South Joint Declaration of the Denuclearization of the Korean Peninsula” (an agreement prohibiting the possession of uranium enrichment facilities), and that “The DPRK will *remain a party* to the Treaty on the Non-Proliferation of Nuclear Weapons (or NPT)...” (a treaty that prohibits non-nuclear states from possessing nuclear weapons).

On the assumption that North Korea initiated its HEU-based nuclear weapons program between 1997 and 1998, by the time the U.S. implicated it in this activity in October 2002 as many as four or five years had elapsed since it began the project, which is about how long it took Pakistan to build its uranium bomb.<sup>252</sup> In response, Washington quickly initiated suspension of heavy fuel oil (HFO) shipments to North Korea, an entitlement of the Agreed Framework. What followed was a series of Agreed Framework reversals by Pyongyang, including its expulsion of IAEA inspectors and the removal of all monitoring devices from its nuclear facilities, in December. Then on 10 January 2003, Pyongyang announced its immediate withdrawal from the NPT;<sup>253</sup> followed thereafter by the restarting of its 5-megawatt GMR and the resumption of construction on its 50-megawatt and 200-megawatt nuclear reactors, located at Yongbyon and

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<sup>251</sup>James T. Laney and Jason T. Shaplen, “How to Deal With North Korea,” *Foreign Affairs* vol. 82, no. 2 (March/April 2003): 19.

<sup>252</sup>By the mid-1980s, Pakistan had a clandestine uranium enrichment facility; and as early as 1989-1990, it is generally accepted that Islamabad had acquired the capability to assemble a nuclear device. See James M. Minnich, *The Denuclearization of North Korea: The Agreed Framework and Alternative Options Analyzed* (Bloomington, IN: 1stBooks Library, 2002), 10.

<sup>253</sup>Letter, dated 10 January 2003, by the North Korean Ministry of Foreign Affairs to the French Presidency of the United Nations Security Council and the States Parties of the Nuclear Nonproliferation Treaty.

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Taechon respectively. Finally, Pyongyang took the last step in reversing the major nuclear aspects of the Agreed Framework by reprocessing its previously stored 8,000 nuclear reactor fuel rods,<sup>254</sup> providing it with enough weapons-grade plutonium to build four or five nuclear warheads.<sup>255</sup>

During the first crisis in 1994, President Clinton had considered the reprocessing of nuclear fuel rods as a potential trigger for initiating a missile strike upon the Yongbyon nuclear reactor complex.<sup>256</sup> By 2003, however, the U.S. showed little proclivity to elevate the crisis, insisting that it was a problem that the region collectively would have to resolve. Perhaps that accurately reflects Washington's position on this issue, or maybe Pyongyang's power, relative to the U.S., is significantly greater than it was in 1994. Experts surmise that currently, the DPRK could theoretically possess as many as six to eight plutonium bombs, including one or two weapons using plutonium produced before 1992,<sup>257</sup> four or five weapons using plutonium produced from the 8,000 reprocessed nuclear fuel rods, and one weapon using plutonium that can be produce annually by operating its 5-megawatt GMR, which was restarted in January 2003.<sup>258</sup> Additionally, in November 2002, the Central Intelligence Agency postulated that by mid-decade the DPRK could produce at least two uranium bombs annually.<sup>259</sup> Four months later,

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<sup>254</sup> *Associated Press*, "North Korea Reprocessing Nuclear Fuel," 9 July 2003.

<sup>255</sup> Michael J. Mazarr, *North Korea and the Bomb: A Case Study in Nonproliferation* (NY: St. Martin's Press, Scholarly and Research Division, 1995), 157.

<sup>256</sup> Leon V. Sigal, *Disarming Strangers: Nuclear Diplomacy with North Korea* (Princeton: Princeton University Press, 1998), 162-163.

<sup>257</sup> United States Congress, Senate, "Testimony of R. James Woolsey, Hearing before the Senate Committee on Governmental Affairs," 103 Congress, 1 Session (Washington: U.S. Government Printing Office, 24 February 1993.)

<sup>258</sup> William J. Perry, "It's Either Nukes or Negotiation," *Washington Post*, 23 July 2003, A23.

<sup>259</sup> Central Intelligence Agency, "Report to the U.S. Congress on North Korea's Nuclear Weapons Potential," 19 November 2002, available from

however, Assistant Secretary of State for East Asian and Pacific Affairs James Kelly contradicted this assessment, stating “[that the reprocessing of its nuclear fuel rods] could produce significant plutonium within six months. But the HEU alternate capability is not so far behind”,<sup>260</sup> meaning that the DPRK could have been producing uranium bombs since 2003.

Predicated on the analysis above, the DPRK now wields considerably more power than it did when the U.S. bilaterally negotiated the terms of the Agreed Framework in October 1994. Militarily, the DPRK possesses upwards to eight nuclear weapons;<sup>261</sup> politically, its leader -- Chairman Kim Jong Il -- has consolidated national power and has now ruled, both *de facto* and *de jure*, for ten years not the mere three months that he did in October 1994; and while the per capita GDP is roughly the same as it was in 1994,<sup>262</sup> the DPRK has long adapted to surviving outside the protective care of its former communist benefactors—Russia and China.

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<http://fas.org/nuke/guide/dprk/nuke/cia111902.html>.

<sup>260</sup>James A. Kelly, “Regional Implications of the Changing Nuclear Equation on the Korean Peninsula,” (Testimony before the Senate Foreign Relations Committee, 12 March 2003), 3.

<sup>261</sup>During the Trilateral (or 3-Party) Talks, for the first time, an official North Korean representative, Deputy Director General of the Foreign Ministry for American Affairs Li Gun, asserted that North Korea possessed nuclear weapons. See Morton I. Abramowitz and James T. Laney, *Meeting the North Korea Nuclear Challenge* (New York: Council on Foreign Relations, 2003), 11.

<sup>262</sup>1994 per capital GDP was \$923 compared to \$762 in 2002. See *East-Asia-Intel*, “North Korea Raises Defense Spending to More Than 40 Percent of Its Total Budget,” 31 March 2004. Also see David Kang, “North Korea’s Military and Security Policy,” in *North Korean Foreign Relations: In the Post-Cold War Era*, ed. Samuel S. Kim (Oxford, New York: Oxford University Press, 1998), 169.

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ROK-DPRK relations have improved greatly since their acrimonious beginnings in 1948; notwithstanding these improved relations, Washington and Seoul continue to jointly defend the South Korean peninsula as treaty allies.

With the exception of the 1972 South-North Joint Communiqué, which addressed unification issues, these two antithetical nations remained bitterly opposed until 1990, when great initial strides were taken towards normalization. As mentioned, the 1990s ushered in momentous changes in North Korea's habitual relations with the Soviet Union (and later Russia) and China, resulting in the DPRK's acceptance of a more conciliatory policy toward its traditional opponents -- the ROK and Japan. By the fall of 1991, prime ministerial talks, which had begun a year earlier, began making rapid progress towards *rapprochement*, culminating with the signing in December of two major agreements -- the Agreement on Reconciliation, Nonaggression and Exchanges and Cooperation between the South and the North; and the Joint Declaration on the Denuclearization of the Korean Peninsula. The first agreement was recognition of their "special interim relationship ... towards unification,"<sup>263</sup> and the second agreement was a mutual pledge not to "test, manufacture, produce, receive, possess, store, deploy, or use nuclear weapons" and not to "possess nuclear reprocessing and uranium enrichment facilities."<sup>264</sup> While the Joint Declaration authorized the creation of a South-North Joint Nuclear Control Commission, scarcely had verification inspections begun when Pyongyang became overly defensive, owing in part to Seoul's requests for short-notice inspections and concurrent IAEA nuclear facility inspections, which had been ongoing since May 1992.<sup>265</sup> Within

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<sup>263</sup>Ministry of National Defense, Republic of Korea, *Defense White Papers* (Seoul: Ministry of National Defense, 2000), 291.

<sup>264</sup>James M. Minnich, *The Denuclearization of North Korea: The Agreed Framework and Alternative Options Analyzed* (Bloomington, IN: 1<sup>st</sup>Books Library, 2002), 97.

<sup>265</sup>*Ibid*, 15.

months, all hopes of South-North reconciliation vanished as North Korea expelled the IAEA inspectors and threatened to abrogate the NPT.

The signing of the 1994 Agreed Framework and the creation of a three nation -- U.S., ROK, and Japan -- implementation body, called the Korean Peninsula Energy Development Organization (KEDO), provided the two Koreas with unique engagement opportunities, which greatly expanded after the 1998 election of South Korean President Kim Dae-jung and the implementation of his Pyongyang engagement policy, called the "sunshine policy." From June 2000, the fruits of the engagement policy were quite visible as heads of state met in a summit meeting, paving the way for ministerial meetings, cultural exchanges, economic negotiations, and a near ubiquitous euphoria of an anticipated unification. Six weeks following the 2001 inauguration of President George W. Bush, President Kim Dae-jung visited with Bush, allowing Kim to discuss the positive effects of his engagement policy with Pyongyang. Apparently, President Bush was unimpressed. At a joint press conference held at the conclusion of President Kim's visit, President Bush openly voiced his harsh skepticism about the trustworthiness of Chairman Kim Jong Il, leaving many with a feeling that he had publicly humiliated his ally partner -- Kim Dae-jung. Immediately Pyongyang responded by criticizing what it characterized as a "hostile" U.S. policy and canceling planned North-South ministerial talks.<sup>266</sup>

Of greater consequence, however, is the perception that President Bush's remarks have had a damaging impact upon the U.S.-ROK relationship. Emanating from the apparent public humiliation of then President Kim Dae-jung, the unprecedented rise in Korean anti-Americanism has been exacerbated by a few other high

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<sup>266</sup>Jonathan D. Pollack, "The United States, North Korea, and the End of the Agreed Framework," *Naval War College Review* vol. LVI, no. 3 (summer, 2003): 25.

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profile incidents, including the 2002 Winter Olympics incident, wherein South Korean ice skater Kim Dong-sung lost a gold medal to an American skater over a technicality. And then four months later, in June 2002, two Korean schoolgirls were killed after accidentally being struck by a U.S. Army vehicle in Korea, outraging the nation as tens of thousands of citizens assembled in protest. As a product of increased anti-Americanism (2002 polls reported that 54% of Koreans held an unfavorable opinion of the U.S.),<sup>267</sup> in December 2002, Koreans' elected Roh Moo-hyun as president, owing in large part to his anti-American platform. Shortly after his election, President-elect Roh Moo-hyun stated that he might favor neutrality if war ever broke out between North Korea and the United States, a telling statement by a treaty ally.<sup>268</sup>

### *President Roh Moo-hyun's Peace and Prosperity Policy*

During his inaugural address of 25 February 2003, President Roh Moo-hyun introduced his so-called "participatory government's peace and prosperity policy" on the Korean peninsula by outlining four guiding principles.<sup>269</sup> He stated: "First, I will try to resolve all pending issues through dialogue. Second, I will give priority to building mutual trust and upholding reciprocity. Third, I will seek active international cooperation on the premise that South and North Korea are the two main actors in inter-Korean relations. And fourth, I will enhance transparency,

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<sup>267</sup>Staff of the Pew Global Attitudes Project, *Views of a Changing World* (Washington: The Pew Research Center for the People and the Press, 2003), 19.

<sup>268</sup>*Asia Times*, 24 February 2003.

<sup>269</sup>The four policies of the Participatory Government's national security strategy are (1) Peace and Prosperity Policy, (2) Cooperative Self-Reliant Defense Policy, (3) Balanced and Pragmatic Diplomacy Policy, and (4) Cooperative Security Policy.



expand citizen participation, and secure bipartisan support.”<sup>270</sup> With the intention of capitalizing on the North-South normalization progress achieved through former President Kim Dae-jung’s “reconciliation and cooperation policy,” these four principles were proffered with the goal of laying a foundation for a peaceful unification of Korea through the promotion of peace on the Korean peninsula, to achieve common prosperity of South and North Korea, and to contribute to prosperity in Northeast Asia.<sup>271</sup>

While there are some who dismiss President Roh as an idealist who is *naïve* about the North Korean military threat and international affairs, official documents that emanate from his administration, like *Peace, Prosperity and National Security: National Security Strategy of the Republic of Korea*, perhaps suggests the clarity with which this problem is internalized. Statements like “North Korea’s development of nuclear arms not only constitutes the gravest threat to our security but also undermines peace and stability in Northeast Asia”,<sup>272</sup> and “... the North Korean nuclear question, the single most destabilizing factor to our security ...”<sup>273</sup> seems to capture the gravity with which Mr. Roh perceives this issue. What is suspect, however, is how well those who are not laden with the mantle of presidency appreciate the importance of “getting this one right,” or perhaps more appropriately stated, resolving the North Korea nuclear crisis in a manner that causes the least amount of national

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<sup>270</sup>Roh Moo-hyun’s Inaugural Address, 2003. Available from <http://www.unikorea.go.kr>.

<sup>271</sup>Republic of Korea National Security Council, *Peace, Prosperity and National Security: National Security Strategy of the Republic of Korea* (Seoul, Cheongwadae, 1 May 2004), 23. Also see Ministry of Unification, *The Policy for Peace and Prosperity* (Seoul, Jinmyung, April 2003), 6, 8.

<sup>272</sup>Republic of Korea National Security Council, *Peace, Prosperity and National Security: National Security Strategy of the Republic of Korea* (Seoul, Cheongwadae, 1 May 2004), 15.

<sup>273</sup>Roh Moo Hyun, “Address by President Roh Moo Hyun on the Fifty-Sixth Armed Forces Day” (1 October 2004).

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turmoil. By way of analogy, the more distant the relationship to a medical patient the easier it is to recommend the amputation of a limb as an effective medical treatment of an infection. However, the patient that will have to live with such a life altering handicap, or perhaps the patient's family members who will have to spend time and fortune to care for this person after such a procedure, quickly one begins searching for an alternative method. In a similar manner, President Roh (like his predecessors) advocates the use of less Draconian crisis resolution measures, hoping to minimize negative secondary and tertiary effects that could impact South Korea's economic and physical security.

President Roh's "peace and prosperity policy" is broader than just obtaining a peaceful resolution to the North Korea nuclear crisis; rather, it is the first of three implementing stages intended to transform the Korean peninsula from a land of conflicts and disputes into a land of peace and prosperity, which will operate as a Northeast Asian business hub. The "peace and prosperity policy" stages are first, resolve the North Korea nuclear crisis and promote peace; second, expand inter-Korean cooperation and lay the foundation for a durable peace regime; and third, conclude an inter-Korean peace agreement and create a durable peace regime.

### *Toward Peace and Prosperity: Institutionalizing Inter-Korean Reconciliation and Cooperation*

Since the signing of the South-North Joint Declaration by former President Kim Dae-jung and Chairman Kim Jong Il in June 2000, Seoul believes that inter-Korean relations of confrontation and animosity have been replaced by an era of reconciliation and cooperation, a *sin qua non* for the establishment of peace and prosperity on the peninsula.<sup>274</sup> It is under the pretext of

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<sup>274</sup>Republic of Korea National Security Council, *Peace, Prosperity and National Security: National Security Strategy of the Republic of Korea* (Seoul,

deepening and expanding its inter-Korean relations through dialogue and cooperation that Seoul implements its North Korean policy under the following principles. First, it focuses on “implementing and advancing existing agreements,” including the 1972 South-North Joint Communiqué, the 1992 South-North Basic Agreement, and the 2000 South-North Joint Declaration.<sup>275</sup> Second, by “laying the foundation for the formation of an economic, social and cultural community”; third, by “helping North Korea undergo a stable transformation and assist in its economic development”; and fourth, by “pursuing the resolution of the North Korean nuclear issue in tandem with improvement of inter-Korean relations.”<sup>276</sup>

Through dialogue and cooperation, the participatory government has made significant progress in its active engagement policy with Pyongyang, despite the ambiance of the current nuclear crisis. In the first year alone of Mr. Roh’s administration, thirty-eight rounds of inter-Korean talks were convened; inter-Korean trade expanded to more than \$700 million; three rounds of reunions occurred, reuniting 2,700 separated family members; three major economic cooperation projects -- inter-Korean transportation corridor, Mount Kumgang tours, and the Kaesong Industrial Complex -- progressed;<sup>277</sup> and humanitarian aid continued.<sup>278</sup>

In implementing its inter-Korean cooperation policy, Seoul seeks first to concentrate on mutually beneficial cooperative projects,

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Cheongwadae, 1 May 2004), 46.

<sup>275</sup>Ibid., 47.

<sup>276</sup>Ibid.

<sup>277</sup>The Ceremony for the Reconnection of the Inter-Korean Railroads occurred on 14 June 2003; the Ground-breaking ceremony for the first phase construction of the Kaesong Industrial Complex (KIC) occurred on 30 June 2003; and overland tours to Mt. Kumgang resumed on 1 September 2003.

<sup>278</sup>Republic of Korea National Security Council, *Peace, Prosperity and National Security: National Security Strategy of the Republic of Korea* (Seoul, Cheongwadae, 1 May 2004), 46-49.

which are selected on the grounds of comparative advantages; second, to promote transparent and positive government-civic cooperation; third, to expand North Korea's participation to increase interdependency and ensure greater stability; and fourth, to strengthen international cooperation to encourage reform and development in North Korea.<sup>279</sup>

*President Roh Moo-hyun's Cooperative Self-reliant Defense Policy*

While the Roh Administration embraces cooperative engagement with North Korea as an effective method in promoting peace on the Korean peninsula, the government also states its recognition of the dual importance of maintaining a firm defense posture while enhancing its alliance relationship with the United States. The Roh Administration refers to this dual defense initiative as its "cooperative self-reliant defense policy." Through this strategy, the government plans to equip its military forces with the capabilities and weapon systems that are necessary to serve as the principal protector of its sovereignty, while it advances a "forward-looking" security alliance with the United States, and actively promotes other security cooperations to deter North Korea provocations.<sup>280</sup> In reality, however, a significant delta exists between the government's allocated defense budget and how much the Defense Ministry reports that it needs to achieve a cooperative self-reliant defense capability. While other government sectors have since recovered their budget levels to the pre-1997 Asian financial crisis level, the defense budget allocation has declined (see Table 14-1). As a result, outdated weapons exceed their life cycles; an insufficient research and development (R&D) budget limits indigenous R&D capabilities;

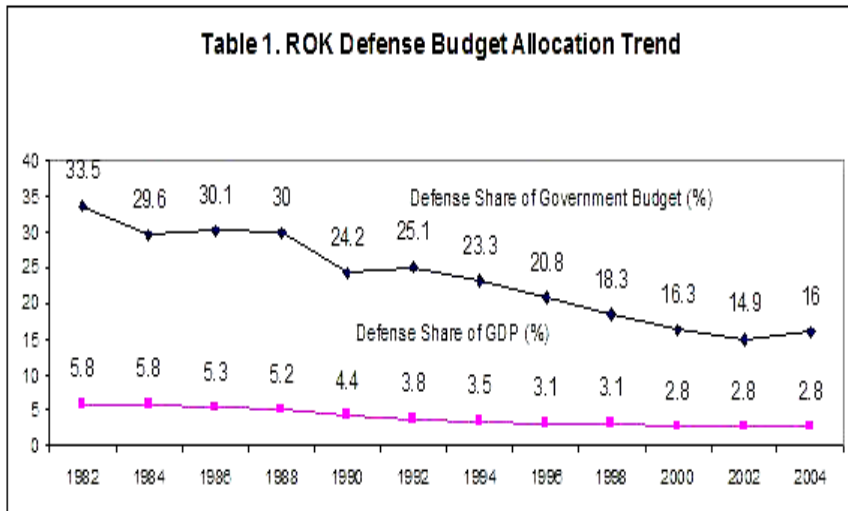
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<sup>279</sup>Ibid., 50-51.

<sup>280</sup>Republic of Korea National Security Council, *Peace, Prosperity and National Security: National Security Strategy of the Republic of Korea* (Seoul, Cheongwadae, 1 May 2004), 27.

pilots' flight hours are below standard; infantry, artillery, and tank crews lack sufficient training ammunition; wartime reserve ammunition stockpiles meet only 60% of combat sustainment levels; barracks are dilapidated and crowded; and conscripts' salaries are meager, amounting to about \$30 a month.<sup>281</sup>

**Table 14-1: ROK Defense Budget Allocation Trend**



Source: ROK Defense Spending 2004: *Preparing for the Future* (Seoul: Ministry of National Defense, July 2004).

With the approval of President Roh Moo-hyun, in November 2004, the ROK Ministry of National Defense (MND) released its “cooperative self-defense pursuit plan,” which is a revision of its 2003 “cooperative self-defense” plan.<sup>282</sup> This revised plan accommodates for the U.S. Defense Department’s decision to reduce United States Forces Korea (USFK) by 12,500 troops, to relocate its remaining forces south of Seoul, and to transfer ten

<sup>281</sup> *ROK Defense Spending 2004: Preparing for the Future* (Seoul: Ministry of National Defense, July 2004), 4.

<sup>282</sup> *MND News Release*, “Cooperative Self-defense Pursuit Plan,” 19 November 2004.

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military missions from USFK to the ROK military.<sup>283</sup> To adapt to these changes, while building a cooperative self-defense force, the Ministry of National Defense states that it needs 99 trillion won (about \$90 billion) over the next four years (until 2008), which would increase its defense budget from 2.8% of gross domestic product (GDP) to 3.2% of GDP by 2008.<sup>284</sup>

In October 2004, the Ministry of Planning and Budget (MPB) submitted its 2005 budget proposal to the government, requesting 20.8 trillion won (about \$18.1 billion) or about 575 billion won (or \$500 million) less than what MND had proposed in June.<sup>285</sup> In December 2004 the National Assembly is expected to approve the government's budget proposal. While an \$18.1 billion defense budget represents a 9.9% increase over the 2004 budget (about \$16.2 billion) it hardly seems sufficient and it barely keeps pace with inflation, which runs at about 4%. Consequently, despite the participatory government's decision to increase defense spending, over the next four years, it appears as if the increase will be insufficient to truly achieve a "cooperative self-reliant defense," which in effect will compel the ROK government to maintain its habitual defense reliance upon the United States.

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<sup>283</sup>Ibid. Also see *DoD News Release*, "U.S., Republic of Korea Reach Agreement on Troop Redeployment," 6 October 2004. Also see *MND News Release*, "Results of ROK-U.S. Negotiation on USFK Redeployment," 6 October 2004. On 6 Oct 2004 U.S. Department of Defense (DoD) and ROK MND simultaneously released press statements, announcing a three-phase plan to reduce 12,500 troops from USFK. The first phase reduces 5,000 troop in 2004, including the U.S. 2<sup>nd</sup> Infantry Division's 2<sup>nd</sup> Brigade Combat Team (BCT), which deployed to Iraq in August 2004. During the second phase, 2005-2006, the U.S. will redeploy another 5,000 troops (3,000 troop is 2005 and 2,000 troops in 2006), and during the third phase, 2007-2008, the U.S. will redeploy 2,500 troops.

<sup>284</sup>*The Choson Ilbo* (Seoul), "Defense Ministry Releases 'Cooperative Self-Defense Plan,'" 19 November 2004.

<sup>285</sup>*The Kukbang Ilbo* (Seoul), "2005 National Defense Budget at 20.8 Trillion Won," 27 October 2004.

*The Participatory Government's National Security Strategy during a Second Bush Administration: Policy Continuation or Strategic Readjustment?*

Less than two weeks after George W. Bush was reelected president, President Roh Moo-hyun, speaking at a World Affairs Council hosted luncheon in Los Angeles, California, urged Washington to refrain from employing a hard-line policy against North Korea, stating that the resolution of the North Korean nuclear issue was a matter of “survival” for South Koreans.<sup>286</sup> President Roh’s speech sounded like a plea as he concluded his remarks by saying “This is our people’s strong wish directed to the people of the United States, our sole ally. This also will be the most important contributing factor to further solidly develop friendly relations between the Republic of Korea and the United States.”<sup>287</sup>

President Roh’s Los Angeles Speech, however, was more than just a plea to its “sole ally,” it was also a reaffirmation of Roh’s participatory government’s national security policy objective. Mr. Roh stated:

Our intention toward denuclearization of the Korean peninsula and our stand that North Korea’s nuclear possession can never be tolerated are crystal-clear. Our position that the North Korean nuclear issue should be resolved peacefully through the six-party talks without fail, too, is clear.<sup>288</sup>

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<sup>286</sup>Roh Moo-hyun, “Speech by President Roh Moo-hyun at a Luncheon Hosted by the World Affairs Council of the United States,” (13 November 2004).

<sup>287</sup>Ibid.

<sup>288</sup>Ibid., Also see Republic of Korea National Security Council, *Peace, Prosperity and National Security: National Security Strategy of the Republic of Korea* (Seoul, Cheongwadae, 1 May 2004), 21.

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Mr. Roh summarized his remarks with his personal assessment of the North Korea nuclear crisis, declaring:

I believe that the North Korean nuclear issue will ultimately depend on whether or not North Korea will be given a security guarantee and an opportunity to strive over the present difficulty through reform and opening. I believe that all other negotiation terms are no more than technical matters.<sup>289</sup>

To be clearly understood, President Roh unequivocally denounced the threat or use of force against North Korea, stating: “We cannot ask our people, people who have built today’s Republic of Korea from a lump of ashes, to withstand the threat of another war.”<sup>290</sup> In a like manner, he dismissed as untenable any policy of economic sanctions or regime collapse.

President Roh’s Los Angeles Speech offers the appearance of yet a third component—an ultimatum. President Roh’s declaration, on American soil, that “there is no other means than dialogue” to resolve the North Korean nuclear crisis resonates as though he had said that the future of the ROK-U.S. alliance is held in abeyance by Washington’s forbearance of force as a policy option for resolving this crisis.

### **United States**

During the Cold War, the Korean DMZ was the Iron Curtain of the east, which literally held back the intrusive red horde of communism. As a test of resolve to the sanctity of that mission, three years of hellish fighting on the peninsula spilt some of the

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<sup>289</sup>Ibid.

<sup>290</sup>Ibid.



best blood of the 1950s, including the death or injury of some 400,000 UN Command troops, of which two-thirds were South Korean troops and 157,000 were American troops.<sup>291</sup>

The year 1991 was a watershed year as it marked the fall of the Soviet Union, heralded in the end of the Cold War, and awakened the world to the rising specter of nuclear proliferation as former Soviet states were unwittingly bequeathed strategic and tactical nuclear weapons. Also that year, the IAEA was completely blind-sided by the thoroughness of Iraq's complete deception of its clandestine nuclear weapons program, which was fortuitously disclosed after the liberation of Kuwait and the defeat of the Iraqi Army.

Precipitated by the growing concern over "loose nukes," on 27 September 1991, President George H. W. Bush signed a Presidential Nuclear Initiative (PNI),<sup>292</sup> ordering the unilateral withdrawal of all tactical nuclear weapons worldwide, followed thereafter by the withdrawal of all nuclear bombs from the Korean peninsula. Then on 18 December 1991, South Korean President Roh Tae-woo publicly announced that South Korea was a nuclear-free zone,<sup>293</sup> making possible the historic signing of the "South-North Joint Declaration of the Denuclearization of the Korean Peninsula," on 31 December 1991.<sup>294</sup>

The total withdrawal of U.S. nuclear weapons from Korea was a major political carrot for the DPRK who had viewed the weapons as an ongoing security threat since their deployment to Korea, in

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<sup>291</sup>Don Oberdorfer, *The Two Koreas: A Contemporary History* (Indianapolis, IN: Basic Books, 1997), 9-10.

<sup>292</sup>George H. W. Bush, "Address to the Nation on Reducing United States and Soviet Nuclear Weapons," 27 September 1991, available from <http://bushlibrary.tamu.edu/papers/1991/9102704.html>.

<sup>293</sup>Ministry of National Defense, Republic of Korea, *Defense White Papers* (Seoul: Ministry of National Defense, 2000), 379.

<sup>294</sup>*Ibid*, 302.

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1956. In an additional move to reduce tension on the Korean peninsula, the U.S. and ROK governments agreed to cancel the 1992 bilateral military exercise -- Team Spirit, adequately placating the DPRK's security concerns, and encouraging the DPRK to sign the IAEA full-scope safeguards agreement, on 30 January 1992. After being ratified by the Supreme People's Assembly, on 9 April 1992, the DPRK provided the IAEA with a 150-page declaration of its nuclear material and equipment, a preliminary step in the IAEA safeguards inspection process. With the IAEA still smarting from having been duped by the Iraqis, the IAEA entered North Korea, in May, intent on conducting a comprehensive safeguards inspection; consequently, by September, IAEA scientists were certain that the North Koreans had falsified their plutonium production report, lying about the frequency and quantity of their plutonium reprocessing activities. Asserting its new authority to demand special inspections, the IAEA, which was armed with U.S. satellite intelligence photos, demanded access to two suspected reprocessed plutonium storage facilities. As the DPRK balked, the U.S.-ROK governments threatened to reinstate Team Spirit exercises, which it did on 9 March. Backed against the wall, on 12 March the DPRK tendered its ninety-day withdrawal notification, threatening to become the first state to abrogate the NPT. What followed was eighteen months of intense bilateral negotiations, in which the U.S. pressured the DPRK to relinquish its nuclear weapons program by signing the 1994 Agreed Framework.

Once the agreement was signed and North Korea froze its GMRs and associated nuclear reprocessing plants, little substantive bilateral progress occurred until the Clinton administration, capitalizing upon the momentum created by an historic summit between South Korean President Kim Dae-jung and North Korean Chairman Kim Jung Il, dispatched U.S. Secretary of State Madeleine Albright to Pyongyang, in October 2000, beginning diplomatic normalization efforts. Such efforts,

however, petered the next month, following the presidential election of Republican Party candidate George W. Bush.

Within a month of entering the White House, President Bush suspended the Agreed Framework, pending the results of an internal review of the U.S. policy toward North Korea. Completing the policy review in June 2001, the Bush administration linked future dialogue with North Korea on Pyongyang's willingness to permanently dismantle its nuclear power facilities; to eliminate its medium- and long-range missile programs; to reduce the size of its conventional force; to improve its human rights performance; and to begin economic reforms.<sup>295</sup> Deadlocked in disagreement and mutually estranged, Washington began ratcheting the pressure against Pyongyang. During the January 2002 State of the Union address, President Bush branded North Korea a member of an "axis of evil" alongside Iraq and Iran.<sup>296</sup> Then in March 2002, the U.S. Nuclear Posture Review was leaked to the press, revealing that the U.S. might consider launching a preemptive nuclear attack upon North Korea, in contravention with the articles of the NPT and the Agreed Framework.<sup>297</sup> Finally, in 2002, following eight years of mutually disingenuous behavior towards completing the 1994 Agreed Framework, U.S. intelligence revealed that North Korea was engaged in a secretive HEU-based nuclear weapons program. In response, Assistant Secretary of State for East Asian and Pacific Affairs James Kelly traveled to Pyongyang, in October 2002, and confronted the North Korean regime with the U.S. discovery. Apparently to Kelly's surprise, North Korea's

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<sup>295</sup>George W. Bush, "Statement by the President," (Washington: Office of the Press Secretary, White House, 2001) available from <http://whitehouse.gov/news/releases/2001/06/20010611-4.html>.

<sup>296</sup>George W. Bush, "The President's State of the Union Address," available from <http://www.whitehouse.gov/news/releases/2002/01/20020129-11.html>.

<sup>297</sup>William M. Arkin, "Secret Plan Outlines the Unthinkable," *Los Angeles Times*, 10 March 2002.

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First Vice Minister Kang Sok-ju reportedly confirmed this accusation.

Today, more than two years have elapsed since the nuclear crisis resurfaced, and with the exception of having assembled the six major concerned parties -- U.S., PRC, Russia, Japan, ROK, and DPRK -- for three rounds of multilateral meetings, substantively little else appears to have been accomplished towards the task of denuclearizing North Korea.

### **Future of the ROK-U.S. Alliance**

Concluding the 34<sup>th</sup> ROK-U.S. Security Consultative Meeting Joint Communiqué, Defense Secretary Donald Rumsfeld and Defense Minister Lee Jun announced the Future of the ROK-U.S. Alliance Policy Initiative, a high-level policy dialogue, which was chartered in December 2002 as a consultative body “to adapt the alliance to reflect changing regional and global security circumstances.”<sup>298</sup> Over the course of two years and twelve rounds of FOTA talks, the ROK and U.S. governments have undertaken several key alliance-strengthening measures, which included enhancing the combined forces’ combat capabilities, shaping combined roles and missions, and aligning United States forces in Korea for the future.<sup>299</sup>

Concluding the second round of FOTA talks in June 2003, it was announced that the U.S. had presented a detailed plan for investing over \$11 billion on more than 150 enhancements to the combined defense, over a four-year period.<sup>300</sup> Additionally, the

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<sup>298</sup>ROK-U.S. Security Consultative Meeting, 34<sup>th</sup> *ROK-U.S. Security Consultative Meeting Joint Communiqué*, 5 December 2002, Washington D.C. Also see *MND News Release*, “Results of the First Meeting of “Future of the ROK-U.S. Alliance Policy Initiative,” 9 April 2003.

<sup>299</sup>*Ibid.* Also see *MND News Release*, “Results of the Second Meeting of “Future of the ROK-U.S. Alliance Policy Initiative,” 5 June 2003.

<sup>300</sup>*MND News Release*, “Results of the Second Meeting of “Future of the

ROK side also indicated its intentions to substantially enhance ROK military capabilities to strengthen the alliance. In September 2004, General LaPorte testified before the Senate Armed Services Committee about some of USFK's modernization achievements. He stated that Theater Missile Defense was strengthened in Korea by the fielding of PAC-3 Patriot missile systems and the stationing of a Patriot brigade headquarters, a second Patriot battalion, and two additional Patriot batteries.<sup>301</sup> Additional enhancements showcased were the upgrade of Apache helicopters to AH-64D Longbows and the introduction of high speed vessels (HSV) and C17s that facilitate the rapid reinforcement of regionally positioned U.S. forces.

These and other combined combat capability enhancements made possible the ROK-U.S. Military Committee's decision to transfer ten military missions from U.S. forces to Korea; a combined-forces shaping process that leverages each nation's specific strengths.

The aligning of U.S. forces in Korea into enduring hubs (or installations) is a two-stage process that begins with the consolidation of forces on to existing camps followed by their eventual relocation to U.S. military camps and bases south of Seoul. On 26 October 2004, the USFK commander and the ROK defense minister signed two relocation agreements that will move most of the U.S. troops out of Seoul by 2008, and consolidate its forces North of Seoul on to a few installations as the U.S. returns most of its land grants back to Korea in preparation for the eventual relocation these units south of Seoul.<sup>302</sup> As of the

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ROK-U.S. Alliance Policy Initiative," 5 June 2003.

<sup>301</sup>"Statement of General Leon J. LaPorte Commander, United Nations Command; Commander, Republic of Korea-United States Combined Forces Command; and Commander, United States Forces Korea before the Senate Armed Services Committee," 23 September 2004.

<sup>302</sup>Shin Seo-dong, "ROK, U.S. Sign Deal on Relocation," *The Korea Times*, 27 October 2004. Also see "Korea, U.S. sign pact to move USFK HQ," *The*

writing of this chapter, in November 2004, the ROK National Assembly had yet to ratify either of these two agreements; however, it was anticipated that it soon would -- perhaps as early as December.

Through its “enhance, shape, and align” transformation efforts Seoul and Washington are investing tens of billions of dollars, and significant time and political capital to create an enduring alliance that “best contributes to security on the Korean peninsula and beyond.”<sup>303</sup> So while it is possible that Seoul or Washington could unilaterally act in such a manner as to jeopardize the continuation of the alliance, such a scenario is less probable. Rather what is more likely, particularly as it pertains to resolving the North Korea nuclear crisis, is that President Bush and President Roh will work together as ally partners, seeking a “peaceful and diplomatic resolution” to the nuclear crisis through the six-party talks as they agreed to, during their 20 November 2004 ROK-U.S. summit, which took place on the sidelines of this year’s Asia Pacific Economic Cooperation meeting.<sup>304</sup>

### **North Korea as the Ninth Nuclear Weapons State: “Why Not?”**

Over the last fifteen years, three American presidents—George H. W. Bush, Bill Clinton, and George W. Bush—have seemingly failed in their attempts to halt North Korea’s pursuit of nuclear weapons. In contrast, the U.S. has expended considerably less effort to dissuade or deter Israel, India, or Pakistan from joining the nuclear weapons club alongside the original five nuclear weapons states—U.S., Russia, Britain, France, and China. Since there are at least eight nuclear weapons states already, why not

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*Korea Herald*, 27 October 2004.

<sup>303</sup>*MND News Release*, “Results of the First Meeting of “Future of the ROK-U.S. Alliance Policy Initiative,” 9 April 2003.

<sup>304</sup>Sim Chae Yun, “Discord Patched, Concern Lingers,” *The Korean Times*, 21 November 2004.

accept North Korea as the ninth nuclear weapons state and draw a new red line?

To begin with, in the December 2002 *National Strategy to Combat Weapons of Mass Destruction*, President Bush states “[w]e will not permit the world’s most dangerous regimes and terrorists to threaten us with the world’s most destructive weapons. We must accord the highest priority to the protection of the United States, our forces, and our friends and allies from the existing and growing WMD threat.”<sup>305</sup> Certainly, the President’s characterization of North Korea as a member of the “axis of evil,” coupled with its pursuit of nuclear weapons, qualifies it as one of the world’s “most dangerous regimes.” Among the dangers of a nuclear armed North Korea are the pragmatic possibilities that it might (1) act as a peddler of nuclear weapons, (2) behave as a regional extortioner, and/or (3) trigger a series of subsidiary proliferation affects, including (a) weakening the NPT, (b) sparking a regional nuclear arms race in Japan and South Korea, and (c) propagating the nuclear weapons as a deterrent strategy, particularly in Taiwan.

Despite Pyongyang’s recent claim that it has no intentions of selling nuclear weapons or associated technologies,<sup>306</sup> the reality is that North Korea is a pauper state that relies extensively upon international aid (56% per capita for 2002)<sup>307</sup> and arms sales (\$560 million in 2001)<sup>308</sup> to supplement its meager budget, which

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<sup>305</sup>George W. Bush. *National Strategy to Combat Weapons of Mass Destruction* (Washington DC: The White House, 2002), 1.

<sup>306</sup>*Reuters* “N. Korea Says to Push Ahead with Nuclear Deterrent,” 24 April 2004.

<sup>307</sup>Marcus Noland, *Korea after Kim Jong-il* (Washington: Institute for International Economics, 2004), 87.

<sup>308</sup>*Times Online*, “Weapon Sales are Hard Cash Lifeline for Crippled Country,” 12 December 2002. See also Marcus Noland, *Korea after Kim Jong-il* (Washington: Institute for International Economics, 2004), 59. Noland estimates that North Korea’s “current revenues from the exportation of medium-range missiles and weapons of mass destruction, drug trafficking, and

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was estimated at \$12.4 billion for 2004.<sup>309</sup> This year's startling revelation that Pakistani scientist Abdul Qadeer Khan -- the so-called father of the "Islamic Bomb" -- sold nuclear secrets to Libya, Iran and North Korea with impunity for over fifteen years,<sup>310</sup> shows how difficult it is to detect, well enough to prevent, a would be nuclear weapons proliferator -- like North Korea -- from perpetrating such an incredulous act.

While a nuclear-armed North Korea is less likely to threaten a preemptive strike as a means of direct extortion, it is highly probable that a nuclear-armed North Korea might demand international economic assistance on the pretext that (a) without assistance it would finance its economy by selling nuclear weapons, components and technology, or (b) without assistance its stable hold on the government might falter, allowing nuclear weapons to fall into malicious hands. After all, over the past decade, even without nuclear weapons, North Korea has managed to eke billions of dollars in aid from the international community (between 1995 and 2002, the U.S. alone provided North Korea with more than \$1 billion in food and energy assistance),<sup>311</sup> as the aid providers have attempted to forestall North Korea's implosion.

*De jure* or *de facto*, the acceptance of North Korea as a nuclear weapons state is likely to produce untold global seismic repercussions. Already the first casualty of this crisis has been the sanctity of the NPT. While the IAEA lacks any inherent strength to induce membership or to enforce compliance with its safeguards agreement, to date, all but four states -- Cuba, India,

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counterfeiting, may run as high as \$1 billion annually.

<sup>309</sup>*East-Asia-Intel*, "North Korea Raises Defense Spending to More Than 40 Percent of Its Total Budget," 31 March 2004.

<sup>310</sup>Bernard-Henri Levy, *The Wall Street Journal*, "Abdul Qadeer Khan," 17 February 2004, A-20.

<sup>311</sup>Marcus Noland, *Korea after Kim Jong-il* (Washington: Institute for International Economics, 2004), 58.



Israel, and Pakistan -- have signed the NPT and only one state -- North Korea -- has ever abrogated the Treaty. Historically, the fear of being branded a "rogue state" by the international community has potentially restrained many NPT signatories from secretly pursuing nuclear weapons programs. Likewise, despite the fact that the NPT permits a signatory to legally withdraw from the Treaty, until North Korea withdrew from the Treaty in early 2003, no other state had ever exercised that right, perhaps out of fear of incurring international opprobrium. However, now that North Korea has become the first state to abrogate the NPT, theoretically, it becomes easier for other states to do likewise, inasmuch as the proverbial "first step" has already been taken.

The potential for a regional nuclear arms race, which could be triggered by the credible emergence of a nuclear-armed North Korea, presents more than just a theoretical subsidiary proliferation affect. Undisputedly, South Korea and Japan both have the latent capability to extract plutonium from their many nuclear power plants (South Korea's 16 nuclear reactors produce 13.7 gigawatts of combined power),<sup>312</sup> or to enrich uranium in their nuclear fuel rod plants (Japan's Recycling Equipment Test Facility separates super-grade plutonium).<sup>313</sup> Perhaps a more important question might be, "What impetus might spur either Seoul or Tokyo to create a nuclear weapons program?" In 1975, South Korean President Park Chung-hee declared that "if the U.S. nuclear umbrella [was] removed, Korea [would] develop nuclear weapons."<sup>314</sup> With the U.S. abandonment of South Vietnam and the rising acrimony in U.S.-ROK relations, in the 1970s, General Park apparently decided that it was in South

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<sup>312</sup>James M. Minnich, "ROK and DPRK Energy Sectors: Current Status and Future Plans," *F.A.O. Journal On-line* (December 2000): 16.

<sup>313</sup>Michael J. Green, *Japan's Reluctant Realism: Foreign Policy Challenges in an Era of Uncertain Power* (New York: Palgrave, 2001), 223.

<sup>314</sup>Kim Hyung-A, *Korea's Development Under Park Chung Hee: Rapid Industrialization, 1961-79* (London and New York: RoutledgeCurzon, 2004), 193.

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Korea's national interest to undertake a clandestine operation to produce nuclear weapons, and it was not until the early 1980s that General Park's successor, President Chun Doo-hwan, in cooperation with Washington, voluntarily dismantled its nuclear weapons program.<sup>315</sup> And while Japan has apparently not attempted to build an atomic bomb since as late as 1945, it has gradually become more acceptable for Japanese politicians to publicly debate the assumed benefits of developing nuclear weapons.

An equally disturbing subsidiary affect of an emerging nuclear North Korea is the lesson that it teaches other would be proliferators; namely, that nuclear weapons deter aggressors. Simply by superficially juxtaposing the Iraqi and North Korean WMD threats, it is easy to surmise that had Iraq presented a credible nuclear weapons deterrent then perhaps the U.S. might have used diplomacy instead of military force to address this threat, as the U.S. has chosen to do with North Korea. In projecting this scenario upon Taiwan, it is logical to think that Taipei might consider nuclear weapons as an effective deterrent against Beijing's incessant strong-arm tactics, which have effectively prevented Taipei from declaring its independence. The potential for this nuclear weapons deterrent model to globally spawn is unnerving, creating a menacing situation that could be difficult, if not impossible to contain.

Unequivocally, the international acceptance of North Korea as the ninth (or next) nuclear armed states is execrable, and yet, having squandered nearly fourteen years of opportunities to extricate this anathema, the U.S. now finds itself in the deplorable position of being diplomatically emasculated, relying on the collective powers of its partners to secure an American vital interest—the denuclearization of North Korea.

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<sup>315</sup>Ibid, 195-202.

## **The Denuclearization of North Korea: “What needs to be done?”**

During the second round of the six-party talks in February 2004, the U.S. delegation reportedly signaled Washington’s willingness to consider the use of military force if Pyongyang would not commit to the complete, verifiable, irreversible dismantlement (or CVID) of its nuclear programs.<sup>316</sup> While this threat may be genuine, and perhaps even necessary, it does not represent the collective voice of the negotiators; rather, it is the lone view of the U.S., which could prove untenable to execute.

During the same round of talks, U.S. officials described three “coordinated steps” that Washington was prepared to take if North Korea agreed to dismantle its nuclear weapons programs. In the first stage, the U.S. would be prepared to *discuss* multilateral security assurances if North Korea made the commitments sought by the Bush administration. Once the programs were nearly dismantled, the U.S. would then *prepare* to enter negotiations leading to diplomatic relations with Pyongyang. The DPRK delegation then stressed that it wanted compensation such as energy-aid for giving up its programs, to which some of the other parties indicated their willingness to *help* if North Korea met certain conditions. The DPRK then reportedly stated its willingness to give up its nuclear weapons development if the U.S. would drop its “hostile policy” towards it, to which the U.S. purportedly balked.<sup>317</sup>

In June 2004, during the third round of six-party talks the U.S. reportedly put forth a new proposal, which would require Pyongyang to fully disclose its nuclear activities, submit to inspections, and pledge to begin destroying its nuclear programs.

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<sup>316</sup>Glenn Kessler, *Washington Post*, “Bush Signals Patience on North Korea Is Waning: Directive Sent to Team At Talks in Beijing,” 4 March 2004.

<sup>317</sup>*Ibid.*

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In exchange, North Korea would receive economic aid from all members of the six-party talks, except the United States. After a three month preparatory period in which international inspectors could verify compliance, more permanent aid would be negotiated.<sup>318</sup> In short, North Korea responded by denouncing the United States' "hostile policy" toward it, although it did agree in principle to return to a fourth round of talks in September, which it later boycotted, refusing to meet until the United States abandons its "hostile policy."<sup>319</sup>

With the nuclear crisis framed by a view of the geo-strategic/political landscape provided above, and discounting the use of military force as a means of achieving the denuclearization of North Korea, the first point of discussion is the matter of *trust*. With a fair degree of certitude, this author is confident that if on the morrow, North Korea offered to give up its nuclear weapons program and consented to intrusive IAEA safeguards inspections, it would still be unlikely that Washington would *trust* Pyongyang's intentions, assuming that it had secretly retained remnants of its program secreted away in one of its 10,000 plus underground facilities or stuck away elsewhere in a remote section of the country. The operative word in this hypothesis is *trust*, and given the current conditions, it is unlikely that anything short of North Korea's complete absorption by South Korea is likely to engender such trust in Washington. Following the death of President Kim Il Sung in July 1994, the Clinton administration gambled that the odds of such a hypothesis (South Korea's absorption of North Korea) were favorable, leading it to sign the October 1994 Agreed Framework, presumably assuming that it would never have to make good on its portion of the agreement;

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<sup>318</sup>*New York Times*, 22 June 2004. Also see B. C. Koh, "Six-Party Talks: Round 3" *Policy Forum Online*, 1 July 2004. Available from <http://www.nautilus.org>. Also see Richard Tomkins, *United Press International*, "Analysis: Pyongyang on his mind," 19 November 2004.

<sup>319</sup>Satoshi Ogawa, "North Korea ready for dialogue if U.S. policy changes," 9 November 2004.

namely, normalization of economic and diplomatic relations, and the transfer of one LWR in 2003 and the second LWR shortly thereafter.<sup>320</sup> Rather than attempting to build relations of trust with Pyongyang, Washington has labeled it, isolated it, and threatened it, which has apparently exacerbated the problem, instead of resolving this issue.

Examples of how to begin building relations of trust can be found in the pages of America's history, including Germany, Japan and Italy (1945), China (1972), Russia (1992), Vietnam (1995), and Pakistan (2001). None of these cases were easy to accomplish and while each was different there does appear to exist a common thread; namely, *engagement*. Admittedly, engagement with North Korea may not sound palatable, and certainly President Bush has ample reasons to "loathe Kim Jong Il!", as he does.<sup>321</sup> The North Korean government is corrupt and it has mercilessly enslaved, starved and murdered hundreds of thousands (perhaps millions) of its citizens.<sup>322</sup> And while appalling, other nations have committed similar heinous acts, and still the U.S. found engagement with those nations to be in its best interest.

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<sup>320</sup>In this citation, Minnich provides a detailed analysis of this supposition. James M. Minnich, "The Denuclearization of North Korea: A Critical Analysis of the 1994 Agreed Framework," *The Korean Journal of Defense Analysis* vol. 14, no. 2 (fall 2002): 5-28.

<sup>321</sup>Bob Woodward, *Bush at War* (New York: Simon & Schuster, 2002), 340.

<sup>322</sup>Nam Ji Hae (North Korean gulag survivor), "The Human Rights Crisis in North Korea: What Can Be Done?" (Speech delivered for the *Harvard Korean Association* and *The U.S. Committee for Human Rights in North Korea*, Cambridge: Harvard University, 1 May 2004). Ms. Nam stated that between 50% and 60% of the North Korean population has been or now is imprisoned. Also see David Hawk, *The Hidden Gulag: Exposing North Korea's Prison Camps* (Washington: The U.S. Committee for Human Rights in North Korea, 2003), 24. Hawk states that there are a minimum of 200,000 prisoners and their family members in the political gulags, and an untold number in long-term Prison-Labor facilities.

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The Pakistani case shows how easy engagement can be with the proper motivation. United States-Pakistani relations turned bad after the 1998 Pakistani nuclear weapons test, and then worse following the 1999 *coup d'état* by General Pervez Musharraf. Following the terrorist attacks of 11 September 2001 the U.S. in preparation for invading Afghanistan, quickly improved relations with Afghanistan's neighbor, Pakistan, later offering President Musharraf 3 billion U.S. dollars in aid for his support.<sup>323</sup> Eighteen months into this improved relationship, the U.S. showed how tolerant it could be, under the right circumstances, when it all but ignored the February 2004 revelation that Pakistani scientist Abdul Qadeer Khan had been caught selling nuclear technology and equipment to North Korea, Iran and Libya, which action was immediately pardoned by President Musharraf.<sup>324</sup> Clearly, the nuclear crisis in North Korea is on the same page as the War on Terrorism, or at least it should be.

As there is certainly more than one way to do most things, such is probably the case in how to handle this crisis. Therefore, the author suggests that an effective denuclearization policy should contain the following principles: first, provide Pyongyang with an official security declaration; wherein, all five powers -- U.S., ROK, PRC, Russia, and Japan -- pledge to maintain the security and stability of the entire Korean peninsula. In October 2000, Kim Jong Il told then Secretary of State, Madeleine Albright, that as Deng Xiaoping, in the 1970s, was able to determine that the PRC faced no external security threats and could therefore refocus its resources on China's economic development, with the right security assurances, said Kim, he could convince his

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<sup>323</sup>U.S. Foreign Aid Watch Organization, "Bush Offers Pakistan \$3 Billion in Aid, Half Of It in Military Aid," 25 June 2003, available from <http://www.foreignaidwatch.org>.

<sup>324</sup>Farhan Bokari and Edward Luce, *Financial Times*, "General Defiant in Face of Scandal over Scientist's Nuclear Secrets," 18 February 2004. Also see Bernard-Henri Levy, "Abdul Qadeer Khan," *The Wall Street Journal*, 17 February 2004.

military that the U.S. was no longer a threat and he could then refocus North Korea's resource on its economic development.<sup>325</sup>

Second, provide Pyongyang with tangible economic incentives that will eradicate its energy and food shortages and facilitate real future economic growth. A phased economic package of more than \$45 billion, contingent upon preconditions, would include a U.S. payment of \$30 billion (money that the U.S. would have paid Turkey for its support of Operation Iraqi Freedom), a Japanese payment of \$10 billion in a postcolonial settlement (an amount consistent with Japan's 1965 postcolonial settlement with the ROK adjusted for population, inflation, exchange rate changes, and interest forgone),<sup>326</sup> a ROK payment of \$3.22 billion (the amount it agreed to finance on the LWR project),<sup>327</sup> and an undetermined but equally significant amount of money or cash in kind (such as oil, food, and electricity) from both the PRC and Russia.<sup>328</sup> Additionally, normalize economic relations, allowing businesses to freely operate in North Korea (probably restricted to economic zones).

Third, provide Pyongyang with legitimacy by beginning normalization procedures, which includes the U.S., Japan and the

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<sup>325</sup>Charles L. Pritchard, "A Guarantee to Bring Kim into Line," *The Financial Times*, 10 October 2003.

<sup>326</sup>Marcus Noland, *Korea after Kim Jong-il* (Washington: Institute for International Economics, 2004), 56.

<sup>327</sup>James M. Minnich, *The Denuclearization of North Korea: The Agreed Framework and Alternative Options Analyzed* (Bloomington, IN: 1stBooks Library, 2002), 52.

<sup>328</sup>Both China and Russia have fifty hertz electrical systems, while the DPRK operates at sixty hertz. This difference means that in order for the DPRK to interconnect its system with either the Chinese or the Russians, as contemplated under the Tumen River Area Development Program (TRADP), it would be necessary to convert from fifty to sixty hertz at the intersection of power grids. The cost for an interchange to convert 1,000 megawatts of power has been estimated at \$460 million. See James M. Minnich, "ROK and DPRK Energy Sectors: Current Status and Future Plans," *F.A.O. Journal On-line* (December 2000): 13.

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ROK opening joint capital-city liaison offices, (as should have been done years ago under the Agreed Framework, certainly long before it had a chance to break down) which would be upgrade to embassy-level within a short period of time (two to five years).

Fourth, link the above mentioned enticements to the complete, verifiable, irreversible dismantlement of North Korea's nuclear programs; however, do not demand that Pyongyang accomplish every aspect of denuclearization before providing it with substantive benefits. After all, Pyongyang froze its entire plutonium program for eight full years, without receiving any of the *quid pro quo* agreements (HFO excluded). Therefore, with the combined strength of five very powerful nations, it would seem plausible that they could be secure enough that they could take the first step (or two) and entice the DPRK to follow.

Fifth, let national interests be the filter for prioritizing competing goals. To focus on everything at once is to risk losing it all. To date, a list of collective demands from all parties includes freezing and dismantling all graphite-moderated reactors and plutonium refinement facilities; accounting for and surrendering all reprocessed plutonium; disclosing and dismantling all uranium enrichment facilities; accounting for and surrendering all nuclear weapons; eliminating all chemical and biological weapons and their associated programs; ceasing production and sales of all medium- and long-range missiles; reducing the size and provocative disposition of conventional military forces; improving human rights practices; restructuring the economy; accounting for past terrorist incidents; resolving the Japanese abductees issue; addressing South Korea's separated family issues; settling past trade debts with China and Russia; and the list goes on and on. A policy that expects Pyongyang to correct all of these problems before receiving any benefits is a policy of dreams, and is unrealistic.



Sixth, discontinue any future transfer of LWRs. The same level of trust necessary to operate a graphite-moderated reactor without diverting plutonium to build nuclear weapons is the same trust that is required to operate an LWR; and simply put, that level of trust will not soon be achieved. Therefore, any future agreements that provide the transfer of power plants should be directed at either building or refurbishing hydroelectric or thermoelectric plants.<sup>329</sup>

As earlier stated, there is certainly more than one way of doing things, and in 1993, president of the Center for Security Policy, Frank Gaffney, and Representative John Murtha (Democrat-Pennsylvania) advocated a policy of coercive denuclearization (including limited strikes) to denuclearize North Korea,<sup>330</sup> as did Senator John McCain (Republican-Arizona),<sup>331</sup> in 1994, and many other people since. However, the use of coercive denuclearization (including economic sanctions and preemptive force) might, as many have suggested, inadvertently intensify the situation and cause the outbreak of a second Korean War that would be no less tasking to the U.S. mettle and its fiscal resources than were the hostilities of 1950 to 1953. In discussing such matters, General Gary Luck, a former commander of the United States Forces Korea (USFK), estimated that war on the peninsula would exact as many as one million casualties, including between 80,000 and 100,000 Americans, and at a cost

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<sup>329</sup>For detailed information regarding the proliferation hazards of LWR, and for information about the state of North Korea's electric power grid and production facilities see James M. Minnich, *The Denuclearization of North Korea: The Agreed Framework and Alternative Options Analyzed* (Bloomington, IN: 1stBooks Library, 2002).

<sup>330</sup>Frank Gaffney, "What to do about North Korea's nuclear threat: Execute the 'Osirak' remedy." *Publications of the Center for Security Policy*, 1993. Available from <http://www.security-policy.org/papers/1993/93-D20.html>

<sup>331</sup>United States Congress. Senate. "Senator McCain of Arizona Speaking on the United States Policy and Crisis in Korea." S6245 (24 May 1994). Available from <http://www.fas.org/spp/starwars/congress/1994/s940524-dprk.htm>.

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of \$100 billion to the U.S. Additionally, he estimated that the destruction of property and the interruption of business activities would cost more than \$1 trillion to countries within the region.<sup>332</sup> While a coercive or preemptive policy might be necessary, it is hard to image that it should be the preferred policy.

Another way to deal with the issue is to continue a policy of fits and starts, as has been done for some fifteen years. Such a policy as that, however, will almost assuredly guarantee that North Korea will be the next emerging nuclear armed state. When considering these other ways of addressing the North Korea nuclear crisis, a policy of engagement does not seem as unpalatable as some have suggested.



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<sup>332</sup>Don Oberdorfer, *The Two Koreas: A Contemporary History* (Indianapolis, IN: Basic Books, 1997), 324.